



## Recommendation for Action

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**File #:** 20-3123, **Agenda Item #:** 16.

10/1/2020

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### **Posting Language**

Authorize a fee-in-lieu of on-site affordable housing for a proposed commercial development located at or near 1300 E. 5<sup>th</sup> Street, 78702, that is subject to Plaza Saltillo Transit Oriented Development Regulating Plan.

### **Lead Department**

Neighborhood Housing and Community Development.

### **Fiscal Note**

This item has no fiscal impact.

### **For More Information:**

Rosie Truelove, Director, Neighborhood Housing and Community Development (512) 974-3064; Gina Copic, Real Estate Development Manager, Neighborhood Housing and Community Development (512) 974-3180.

### **Additional Backup Information:**

If approved, this action will authorize the director of Neighborhood Housing and Community Development (NHCD) to accept a fee-in-lieu of on-site affordable housing for the proposed commercial development located at or near 1300 E 5<sup>th</sup> Street, Austin TX 78702. The property and development are subject to the Plaza Saltillo Transit Oriented Development Regulating Plan (Regulating Plan).

Under this Regulating Plan, a fee-in-lieu is appropriate if a development demonstrates a compelling reason not to provide affordable housing on-site. The Regulating Plan requires Council approval before NHCD can accept a fee-in-lieu payment.

The proposed development is located in City Council District 3. The proposed development consists of a 121,500 square-foot commercial building, with approximately 109,000 square feet of office space and 12,500 square feet of ground floor and pedestrian-oriented retail space.

The proposed development seeks a density bonus in the form of waivers of Site Development Standards and Building Height Allowance. Specifically, the developer seeks a Floor-to-Area Ratio (FAR) of 3.14:1 (approximately 44,550 square feet). To receive the height and FAR bonus, the Regulating Plan requires on-site affordable housing or, if approved by Council, a fee-in-lieu payment estimated \$534,600 (44,550 additional sq. ft. \* \$12/sq. ft.). The City Code sets the current fee at \$12.

Because the proposed development will not include residential, NHCD recommends Council find that the developer demonstrated a compelling reason to pay a fee-in-lieu of on-site affordable housing.

### **Strategic Outcome(s):**

Economic Opportunity and Affordability.